

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document, or about what action you should take, you are recommended to seek your own independent professional advice immediately from your stockbroker, solicitor, accountant or other appropriate independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares, please forward this document, but not the accompanying personalised Form of Proxy, at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, you should retain these documents and consult the stockbroker, bank or other agent through whom the sale was effected.

This document does not constitute an offer to purchase, acquire or subscribe for, or the solicitation of an offer to purchase, acquire or subscribe for Placing Shares nor is it an invitation to purchase, acquire or subscribe for Placing Shares.

This document is not a prospectus for the purposes of the Prospectus Rules published by the Financial Conduct Authority of the United Kingdom. Accordingly, this document has not been, and will not be, reviewed or approved by the Financial Conduct Authority (in its capacity as UK Listing Authority or otherwise) pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body and has not been approved for the purposes of Section 21 of FSMA.

Application will be made for the Placing Shares to be admitted to trading on the AIM market of the London Stock Exchange (“**AIM**”). AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the Financial Conduct Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. **This document does not comprise an admission document under the AIM Rules and the London Stock Exchange has not itself examined or approved the contents of this document. The rules applicable to AIM are less demanding than those applicable to the Official List. It is emphasised that no application is being made for admission of the Placing Shares to the Official List. The Placing Shares will not be dealt on any other recognised investment exchange and no other such application will be made.**

Subject to, *inter alia*, the passing of the Resolutions at the General Meeting, it is expected that admission of the Placing Shares will become effective and dealings in the Placing Shares will commence on AIM at 8.00 a.m. on 29 June 2021. The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares, including as regards the right to receive all dividends or other distributions declared, made or paid after Admission.

NetScientific PLC

(a public limited company incorporated in England and Wales with registered number 08026888)

Proposed Placing of 5,958,123 Ordinary Shares at 130 pence per share

Notice of General Meeting

You are recommended to read the whole of this document but your attention is drawn, in particular, to the letter from the Chairman of the Company, which is set out on pages 9 to 16 (inclusive) of this document. This letter recommends that you vote in favour of the Resolutions to be proposed at the General Meeting. The Company and its Directors, whose names appear on page 8 of this document, accept individual and collective responsibility for the information contained in this document including individual and collective responsibility for compliance with the AIM Rules. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and this document makes no omission likely to affect the import of such information.

Notice convening a General Meeting of the Company, to be held at Level 39, One Canada Square, Canary Wharf, London, E14 5AB on 28 June 2021 at 10.00 a.m., is set out at the end of this document.

The action to be taken by Shareholders in respect of the General Meeting is set out on page 15 of this document. Due to the unpredictability of the UK Government guidance and continuing potential health risks posed by COVID-19, it appears to the Directors that significant restrictions on personal movement may still be in place on the date of the General Meeting. Accordingly, the Company will hold the General Meeting with the minimum attendance required to form a quorum and the Directors strongly encourage all Shareholders to vote on the Resolutions by proxy or online. Any Shareholders seeking to attend the General Meeting in person will be refused entry.

Given the constantly evolving nature of the situation, should circumstances change before the time of the General Meeting, the Company will consider adapting arrangements in order to welcome Shareholders to the General Meeting, within safety constraints and in accordance with Government guidelines. Should the Company consider that it has become practicable to do so, the General Meeting will be open for all Shareholders to attend. The Company will notify Shareholders of any change via Regulatory Information Service as early as is possible before the date of the General Meeting. Any updates to the position will be included on our website, www.netscientific.net.

If you hold your Existing Ordinary Shares in certificated form, you are encouraged to complete the accompanying Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received by post or, during normal business hours only, by hand, at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD, by no later than 10.00 a.m. on 24 June 2021 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your Existing Ordinary Shares in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent (CREST ID: 7RA11) by no later than 10.00 a.m. on 24 June 2021 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

You are also encouraged to vote online by logging onto to www.sharegateway.co.uk and following the instructions therein by no later than 10.00 a.m. on 24 June 2021.

The Placing Shares described in this document have not been, and will not be, registered under the United States Securities Act of 1933 ("**Securities Act**") or under the securities laws of any state of the United States. The Placing Shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of the Placing Shares in the United States. The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Placing Shares or the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

In addition, offers, sales or transfers of the Placing Shares in or into the United States for a period of time following completion of the Placing by a person (whether or not participating in the Placing) may violate the registration requirement of the Securities Act.

Furthermore, the Placing Shares have not been and will not be registered under the applicable laws of any of Australia, Canada, the Republic of South Africa or Japan and, consequently, may not be offered or sold to any national, resident or citizen thereof.

The distribution of this document and/or any accompanying documents into jurisdictions other than the United Kingdom may be restricted by law or regulation and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. This document should not be distributed, forwarded to or transmitted in or into the United States, Australia, Canada, the Republic of South Africa, Japan or any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Copies of this document are available, free of charge, at the office of Wilkins Kennedy LLP, Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire, HP6 6FA and on the Company's website, www.netscientific.net. The contents of the Company's website do not form part of this document.

WH Ireland Limited ("**WH Ireland**") is authorised and regulated by the Financial Conduct Authority and is acting exclusively as agent for the Company and no one else in connection with the Placing and is not, and will not be, responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Placing or the contents of this document or any other matter referred to herein. No representation or warranty, express or implied, is made by WH Ireland as to any of the contents of this document or any other statement made or purported to be made by it or on its behalf in connection with the Company or the Placing, and WH Ireland has not authorised the contents of any part of this document nor accepts any responsibility or liability (save for statutory liability) whatsoever, whether arising in tort, contract or otherwise, for the accuracy of any information or opinions contained in this document or any other statement made or purported to be made by it or on its behalf or for the omission of any material information from this document for which the Company and the Directors are solely responsible. Nothing in this paragraph shall serve to exclude or limit any responsibilities which WH Ireland may have under FSMA or the regulatory regime established thereunder.

WH Ireland is also acting as nominated adviser to the Company. Its responsibilities as the Company's nominated adviser under the AIM Rules are owed solely to the London Stock Exchange and are not owed to the Company or to any Director or to any other person in respect of their decision to acquire shares in the Company in reliance on any part of this document.

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been so authorised. The delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

Cautionary note regarding forward-looking statements

This document contains statements about NetScientific that are or may be deemed to be “forward-looking statements”.

All statements, other than statements of historical facts, included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “should”, “anticipates”, “estimates”, “projects”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of NetScientific.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors (including, without limitation, the form, and timing, of the global recovery following the COVID-19 pandemic) which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules, the Prospectus Rules and/or the FSMA), NetScientific does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to NetScientific or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this document are based on information available to the Directors of NetScientific at the date of this document, unless some other time is specified in relation to them, and the posting or receipt of this document shall not give rise to any implication that there has been no change in the facts set forth herein since such date.

TABLE OF CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS	5
ISSUE STATISTICS	5
DEFINITIONS	6
DIRECTORS, COMPANY SECRETARY AND ADVISERS	8
LETTER FROM THE CHAIRMAN	9
NOTICE OF GENERAL MEETING	16

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Placing	10 June 2021
Date of this document and posting of this document and Forms of Proxy	11 June 2021
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 24 June 2021
General Meeting	10.00 a.m. on 28 June 2021
Announcement of results of the General Meeting	by 6.00 p.m. on 28 June 2021
Admission and commencement of dealings in the Placing Shares on AIM	8.00 a.m. on 29 June 2021
CREST accounts credited with Placing Shares in uncertificated form	8.00 a.m. on 29 June 2021
Dispatch of share certificates in respect of the Placing Shares to be issued in certificated form	By 9 July 2021

Notes:

1. Each of the times and dates above are indicative only and are subject to change. If any of the above times and/or dates change, the revised times and/or dates will be notified by the Company to Shareholders by announcement through a regulatory information service.
2. All of the above times refer to London time unless otherwise stated.
3. The admission and commencement of dealings in the Placing Shares on AIM are conditional on, *inter alia*, the passing of the Resolutions at the General Meeting.

ISSUE STATISTICS

Issue Price	130 pence
Number of Existing Ordinary Shares	15,017,188
Number of Placing Shares to be issued	5,958,123
Proceeds of the Placing (before expenses)	£7.7 million
Enlarged Share Capital immediately following Admission	20,975,311
Percentage of Enlarged Share Capital represented by the Placing Shares	28.4 per cent.

DEFINITIONS

The following definitions apply throughout this document (including the Notice of General Meeting) and the Form of Proxy unless the context requires otherwise:

“Admission”	the admission of the Placing Shares to trading on AIM becoming effective in accordance with the AIM Rules
“AIM”	AIM, a market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“Board” or “Directors”	the directors of the Company whose names are set out on page 8 of this document
“Business Day”	any day on which banks are usually open in England and Wales for the transaction of sterling business, other than a Saturday, Sunday or public holiday
“certificated” or “in certificated form”	a share or other security not held in uncertificated form (that is, not in CREST)
“Code”	the City Code on Takeovers and Mergers
“Company” or “NetScientific”	NetScientific PLC, a company incorporated in England and Wales with registered number 08026888
“Concert Party”	Dr Iliev and Futura Messis Group Ltd (which is associated with Dr Iliev), and Melvin Lawson and AB Group Limited, A Beckman PLC SSAS Retirement Benefit Scheme and the Lawson Beckman Charitable Trust (each of which is associated with Melvin Lawson)
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended from time to time
“Enlarged Share Capital”	the issued ordinary share capital of the Company immediately after Admission as enlarged by the issue and allotment of the Placing Shares
“Existing Ordinary Shares”	the issued share capital of the Company as at the date of this document, being 15,017,188 Ordinary Shares
“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority (and its predecessor, the Financial Services Authority) in its capacity as the competent authority for the purposes of Part VI of FSMA
“Form of Proxy”	the enclosed form of proxy for use by Shareholders in connection with the General Meeting
“FSMA”	the Financial Services and Markets Act 2000 (as amended)
“General Meeting”	the general meeting of the Company to be held at 10.00 a.m. on 28 June 2021 (or any reconvened meeting following any adjournment of the general meeting) at Level 39, One Canada

	Square, Canary Wharf, London, E14 5AB, notice of which is set out at the end of this document
“Group”	the Company and its subsidiaries
“Issue Price”	130 pence per share
“London Stock Exchange”	London Stock Exchange plc
“Notice” or “Notice of General Meeting”	the notice of the General Meeting set out at the end of this document
“Ordinary Shares”	ordinary shares of 5 pence each in the share capital of the Company
“Panel”	the Panel on Takeovers and Mergers
“Placee”	any person who has conditionally agreed to subscribe for Placing Shares
“Placing”	the conditional placing, by WH Ireland, as agent of and on behalf of the Company, of the Placing Shares on the terms of and subject to the conditions contained in the Placing Agreement
“Placing Agreement”	the conditional placing agreement dated 10 June 2021 between the Company and WH Ireland relating to the Placing
“Placing Shares”	the new Ordinary Shares to be issued to Placees pursuant to the Placing
“Registrar”	Neville Registrars Limited, registrars to the Company
“Regulatory Information Service”	one of the regulatory information services authorised by the FCA acting in its capacity as the UK listing authority to receive, process and disseminate regulatory information
“Resolutions”	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
“Securities Act”	the United States Securities Act of 1933, as amended
“Shareholders”	holders of Ordinary Shares
“Uncertificated” or “In Uncertificated Form”	recorded on the register of members of the Company as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“UK Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA
“United States” or “US”	the United States of America
“WH Ireland”	WH Ireland Limited, the nominated adviser and broker to the Company
“£”, “pounds sterling”, “penny” or “pence”	UK pounds sterling, the lawful currency of the United Kingdom

DIRECTORS, COMPANY SECRETARY AND ADVISERS

Directors	John Eric Clarkson (<i>Executive Chairman</i>) Dr Ilian Petkov Iliev (<i>Chief Executive Officer</i>) Professor Stephen Kevin Smith (<i>Non-Executive Director</i>) Clive Sparrow (<i>Non-Executive Director</i>)
Registered Office	C/O Wilkins Kennedy LLP Anglo House Bell Lane Office Village Bell Lane Amersham Buckinghamshire HP6 6FA
Company Secretary	Mr Stephen Daniel Crowe
Nominated Adviser & Broker	WH Ireland Limited 24 Martin Lane London EC4R 0DR
Solicitors to the Company	Trowers & Hamblins LLP 3 Bunhill Row London EC1Y 8YZ
Solicitors to the Nomad and Broker	Stephenson Harwood LLP 1 Finsbury Circus London EC2M 7SH
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen B62 8HD

LETTER FROM THE CHAIRMAN

NetScientific PLC

(a public limited company incorporated in England and Wales with registered number 08026888)

Directors:

John Eric Clarkson (*Executive Chairman*)
Dr Ilian Petkov Iliev (*Chief Executive Officer*)
Professor Stephen Kevin Smith (*Non-Executive Director*)
Clive Sparrow (*Non-Executive Director*)

Registered Office:

C/O Wilkins Kennedy LLP
Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

11 June 2021

To holders of Ordinary Shares and, for information only, to holders of options over Ordinary Shares.

Dear Shareholder,

**Proposed Placing of 5,958,123 Ordinary Shares at 130 pence per share
and
Notice of General Meeting**

1. Introduction

On 10 June 2021, NetScientific plc announced that it had raised £7.7 million (before expenses) through a conditional placing of 5,958,123 Placing Shares at an issue price of 130 pence per share. It is intended that the net proceeds of the Placing will be used to position the Company for further growth and for working capital purposes.

The Directors do not currently have the required authority under the Companies Act to allot all of the Placing Shares and, accordingly, the Board is seeking the approval of Shareholders at the General Meeting to allot the Placing Shares to the Placees on a non pre-emptive basis.

The Placing is conditional, *inter alia*, on Admission becoming effective, the Placing Agreement between the Company and WH Ireland becoming unconditional and not being terminated (in accordance with its terms) and the passing by the Shareholders of the Resolutions at the General Meeting, including special resolutions which will give the Directors the required authority to disapply statutory pre-emption rights in respect of the allotment of the Placing Shares. Subject to all relevant conditions being satisfied (or, if applicable, waived), it is expected that the Placing Shares will be admitted to trading on AIM on or about 29 June 2021. The Placing Shares will represent approximately 28.4 per cent. of the Enlarged Share Capital.

The purpose of this letter is to outline the background to, and reasons for, the Placing and explain why the Board considers the Placing to be in the best interests of the Company and its Shareholders as a whole, and why the Directors recommend that you vote in favour of the Resolutions, as they intend to do themselves in respect of the Existing Ordinary Shares beneficially held by them.

Shareholder approval will be sought in respect of the Placing at the General Meeting which is convened for 28 June 2021 at 10.00 a.m. and will take place at Level 39, One Canada Square, Canary Wharf, London, E14 5AB.

2. Background to the Placing

In its announcement, released on 31 March 2021, of its preliminary results for the year ended 31 December 2020, the Company stated that with the fundamental change in strategy and management drive, the Group had acted to realise the underlying asset value in its portfolio companies and their potential to deliver shareholder value. This included exploiting the established transatlantic business and expanding the international presence, to maximise the growth of its subsidiaries and portfolio.

As seen through the recent Company news flow, the upward trend had been established and there is, in the opinion of the Board, significant opportunity to generate added value in the portfolio which is as summarised in the table below.

Portfolio companies	Sector and description	Fully diluted Group Interest %	Consolidated Statement of Financial Position value	Fair Value of stake		Capital Under Advisory (At Cost to Third Party)	
				31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Subsidiaries							
EMV Capital Ltd	Venture Capital Investment Company	100.0% Equity	£2.2m	£3.5m	£0.0m	–	–
ProAxis Ltd	Medical diagnostics – Early stage commercialisation	95.0% Equity	£0.5m	£3.5m	£2.0m	–	–
Glycotest, Inc.	Liver cancer diagnostics – Late stage clinical	51.5% Equity	£0.5m	£11.0m	£8.0m	–	–
Sub Total			£3.2m	£18.0m	£10.0m	–	–
Owned Portfolio							
PDS Biotechnology Corporation (“PDS”)	Immuuno-oncology (NASDAQ quoted) – Early stage clinical	5.7% Equity	£2.0m	£2.0m	£1.1m	–	–
CytoVale, Inc	Medical biomarker diagnostics – Late stage clinical	1.0% Equity	£0.4m	£0.4m	£0.4m	–	–
Epibone, Inc.	Regenerative medicine – Late stage clinical	0.8% Equity	£0.3m	£0.3m	£0.3m	–	–
G-Tech Medical, Inc.	Waerable medical diagnostics – Early stage clinical	3.8% Equity	£0.3m	£0.4m	–	–	–
Longevity Biotech, Inc.	Therapeutics - Early stage clinical	\$250k convertible loan note	–	–	–	–	–
QuantalX Neuroscience	Medical diagnostics of the brain - Late stage clinical	0.4% Equity	–	£0.1m	–	–	–
Sub Total			£3.0m	£3.2m	£1.8m	–	–
Advised Portfolio							
Sofant Technologies Ltd	Semiconductors – Satellite and 5G wireless communications	–	–	–	–	£2.3m	£0.7m
Q-Bot Limited	Building automation – Robotics & artificial intelligence (“AI”)	–	–	–	–	£2.3m	£2.0m
SageTech Medical Equipment Limited	Chemistry & medical technology – Halocarbon capture	–	–	–	–	£1.1m	£0.1m
PointGrab, Inc.	Building automation – Robotics & AI	–	–	–	–	£3.6m	£3.2m
Vortex Biosciences, Inc.	Medical technology – Oncology diagnostics	–	–	–	–	£2.4m	£1.2m
Wanda Health, Inc.	AI & medical technology – Digital health platform	–	–	–	–	£1.3m	£0.6m
Nanotech Industrial Solutions, Inc.	Material science and chemistry	–	–	–	–	£0.7m	£0.8m
Insight Photonic Solutions, Inc.	Semiconductors – Akinetic Swept Source Laser	–	–	–	–	Warrants for £0.9m	Warrants for £1.0m
Sub Total			–	–	–	£14.6m	£9.6m
TOTAL			£6.2m	£21.2m	£11.8m	£14.6m	£9.6m

Notes to the above table

1. The "fair value" (unaudited Directors' estimated value) of direct stakes is as follows:

- The fair value of NetScientific's direct owned stake in portfolio companies has increased from £11.8 million to £21.2 million as at 31 December 2020, a 79.7 per cent. increase.
- Valuation framework: The fair value numbers are calculated as follows:
 - EMV Capital value at acquisition date.
 - PDS (Nasdaq listed) \$2.14 price per share on 31 December 2020. Based on the PDS price of \$11.83 per share as of 9 June 2021, the fair value would be £10.7 million.
 - Price per share of £52.50 for buyout of ProAxis Ltd.
 - Most recent investment by a third party for other portfolio companies.

2. The capital under advisory is as follows:

- EMV Capital's Capital Under Advisory 'at cost' (i.e. measured at the 'entry point' valuation) increased from £12.2 million at the time of the acquisition by NetScientific to £14.6 million at 31 December 2020, an increase of 19.7 per cent. in 4 months.
- For comparison purposes, for the full year EMV Capital's Capital Under Advisory grew by 52.1 per cent., from £9.6 million at the end of 2019.
- The amounts under Capital Under Advisory are associated with carried interest or profit share agreements, typically between 15 per cent. and 20 per cent. While it is difficult to value or estimate the current value of these stakes, for demonstration purposes an average 2x return on the portfolio of £14.6 million investments could result in carry returns to EMV Capital £2.19 to £2.92 million (depending on the specific carry arrangements).
- Post-year end, capital under advisory has further increased to £15.8 million, through recent transactions – representing an increase of 29.5 per cent. since the EMV Capital acquisition.

The Company's management team remains performance and results driven; and, with its proactive management approach, is focused on:

- completing turnaround, execution and scalable processes;
- driving commercialisation and project delivery within the Group's portfolio;
- further judicious investment in the Group's portfolio and new opportunities where the Board perceives a strong case for further investment;
- reviewing and planning the value inflection points, exit opportunities and potential liquidity events of each portfolio company;
- clear milestones, quarterly KPIs, a rolling 12 month action plan over a 3 to 5 year planning horizon;
- effective and pre-emptive risk management and controls;
- creating value from the Capital Under Advisory companies;
- building infrastructure with investment in the Group's team, systems and regulatory protocols for scalability;
- exploiting the transatlantic relationships and global opportunities for UK companies' expansion to US/international markets; US companies' expansion to UK/Europe and international; and access to capital, relationships and enhanced exit potential; and
- realising profits, returns, exits and liquidity events at the right time.

By adopting this strategy, the Board believes that there is significant upside to increase the value of the Group's portfolio.

3. Reasons for the Placing

The purpose of the Placing is to provide the Group with sufficient funds to implement its refined strategy outlined above. The net proceeds will therefore be used to:

- to protect and enhance the Group's investment in portfolio companies;
- to provide judicious investment in current and future opportunities;
- to leverage NetScientific's funding to anchor investment syndication based on a capital light model;
- to expand and increase revenue streams, markets and value;
- for infrastructure and working capital purposes; and
- to position the Group for further growth.

4. Information on the Placing

NetScientific has conditionally raised gross proceeds of £7.7 million before expenses through the issue of 5,958,123 Placing Shares at the Issue Price of 130 pence per share.

As announced on 10 June 2021, WH Ireland has, as broker for the Company, conditionally placed the Placing Shares at the Issue Price with new and existing investors.

The issue of the Placing Shares and Admission are conditional, *inter alia*, upon:

- the passing of the Resolutions 1 and 2 to be proposed at the General Meeting;
- the conditions contained in the Placing Agreement being satisfied or waived;
- the Placing Agreement not having been terminated prior to Admission; and
- Admission occurring by no later than 8.00 a.m. on 29 June 2021 (or such later time and/or date as the Company and WH Ireland may agree, being not later than 8.00 a.m. on 31 July 2021).

Accordingly, if any of such conditions are not satisfied, or, if applicable, waived, the Placing will not proceed.

The Placing Agreement contains customary warranties given by the Company to WH Ireland as to matters relating to the Company and its business and a customary indemnity given by the Company to WH Ireland in respect of liabilities arising out of or in connection with the Placing.

WH Ireland may terminate the Placing Agreement prior to Admission of the Placing Shares in certain circumstances, including, amongst other things, if the Company is in material breach of any of its obligations under the Placing Agreement (including the warranties contained in the Placing Agreement); if there is a material adverse change in the financial position or prospects of the Group; or if there is a material adverse change in national or international financial, monetary, economic, political, or stock market conditions (including a material worsening of the COVID-19 outbreak) which (in the reasonable opinion of WH Ireland acting in good faith) is or will be or is likely to be materially prejudicial to the Group or to the Placing or Admission of the Placing Shares.

The Issue Price represents a discount of 10.3 per cent. to the closing middle market price of 145 pence per Ordinary Share on 9 June 2021 (being the latest practicable date prior to the announcement of the Placing). The Placing Shares will represent approximately 28.4 per cent. of the Enlarged Share Capital.

John Clarkson, Ilian Iliev and Clive Sparrow are respectively subscribing for 25,000, 23,077 and 7,692 Placing Shares.

Application will be made to the London Stock Exchange for the Placing Shares to be admitted to trading on AIM. It is expected that Admission of the Placing Shares will become effective on 29 June 2021 and that dealings for normal settlement in the Placing Shares will commence at 8.00 a.m. on 29 June 2021. The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Ordinary Shares and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Placing Shares.

5. Senior management

The Company announced on 5 August 2020 that it proposed to appoint an additional non-executive director as Chair of the Audit Committee, and in due course a further non-executive director with suitable industry experience. The Company had also envisaged that some of the Board members would take non-executive director or observer seats in portfolio companies, contributing to critical NetScientific projects where their expertise is appropriate. The Company has achieved significant progress in these plans, including:

- John Clarkson has been appointed as Executive Chairman of NetScientific (from his previous position as Non-Executive Chairman), as Chairman of NetScientific subsidiary ProAxis Limited, and as a director of Glycotest, Inc. and SageTech Medical Equipment Limited;
- the Company has appointed Clive Sparrow as a Non-Executive Director and Chair of the Audit Committee, strengthening corporate governance; and
- Professor Stephen Smith has been appointed as Chairman of the Company's Advisory Group and the Company is in advanced discussions in respect of commitments to appoint to this Group a leading panel of experts whose experience complements the Company's key sectors of interest.

6. The Concert Party and the Code

For the purposes of the Code, the members of the Concert Party are regarded as acting in concert by the Panel with regard to their holdings of Existing Ordinary Shares. The interests of the Concert Party, first announced on 5 August 2020, before the issue of the Placing Shares and as they are anticipated to be following the issue of the Placing Shares are as follows:

<i>Concert Party member</i>	<i>Existing Shareholding (before issue of the Placing Shares)</i>	<i>% of Existing Shareholding (before issue of the Placing Shares)</i>	<i>Anticipated Shareholding (following issue of the Placing Shares)</i>	<i>Anticipated % of Shareholding (following issue of the Placing Shares)</i>
Dr Ilian Iliev	382,465	2.55	405,542	1.93
<i>Futura Messis Group Limited</i>	3,598,403	23.96	3,598,403	17.16
Melvin Lawson	0	0	0	0
<i>AB Group Limited</i>	1,518,301	10.11	1,672,147	7.97
<i>A Beckman plc SSAS Retirement Benefit Scheme</i>	1,442,525	9.61	1,442,525	6.88
<i>Lawson Beckman Charitable Trust</i>	317,187	2.11	317,187	1.51
Concert Party Total	7,258,881	48.34	7,435,804	35.45

7. General Meeting

The Directors do not currently have the required authority under the Companies Act 2006 to allot all of the Placing Shares and, accordingly, the Board is seeking the approval of Shareholders at the General Meeting to allot the Placing Shares, together with approval to disapply pre-emption rights in respect of the proposed issue.

A notice convening the General Meeting, which is to be held at 10.00 a.m. at Level 39, One Canada Square, Canary Wharf, London, E14 5AB on 28 June 2021, is set out at the end of this document. At the General Meeting, the following Resolutions will be proposed:

- Resolution 1, which is an ordinary resolution to authorise the Directors to issue and allot the Placing Shares;
- Resolution 2, which is conditional on the passing of resolution 1 and is a special resolution to authorise the Directors to issue and allot the Placing Shares on a non-pre-emptive basis;
- Resolution 3, which is conditional on the passing of resolutions 1 and 2 and is an ordinary resolution to generally authorise the Directors to issue and allot relevant securities up to an aggregate nominal amount of £699,176.00, being equal to the sum of approximately 33.33 per cent. of the Enlarged

Share Capital and a further 33.33 per cent. of the Enlarged Share Capital in the case of a rights issue or other pre-emptive offer or issue; and

- Resolution 4, which is conditional on the passing of resolutions 1, 2 and 3 and is a special resolution to authorise the Directors to issue and allot Ordinary Shares equal to 33.33 per cent. of the Enlarged Share Capital in the case of a rights issue and otherwise 20 per cent. of the Enlarged Share Capital on a non pre-emptive basis.

The authorities to be granted pursuant to the Resolutions shall expire on the date which is 15 months from the date of each Resolution or if earlier the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date).

8. Actions to be taken

Due to the unpredictability of the UK Government guidance and continuing potential health risks posed by COVID-19, it appears to the Directors that significant restrictions on personal movement may still be in place on the date of the General Meeting. Accordingly, the Company will hold the General Meeting with the minimum attendance required to form a quorum and the Directors strongly encourage all Shareholders to vote on the Resolutions by proxy or online. Any Shareholders seeking to attend the General Meeting in person will be refused entry and there are no facilities currently available to allow Shareholders to dial in to the General Meeting or to participate in it online. The measures adopted for the General Meeting are designed to promote the health and wellbeing of Shareholders, the Company's employees and the wider community, which is of utmost importance.

Given the constantly evolving nature of the situation, should circumstances change before the time of the General Meeting, the Company will consider adapting arrangements in order to welcome Shareholders to the General Meeting, within safety constraints and in accordance with Government guidelines. Should the Company consider that it has become practicable to do so, the General Meeting will be open for all Shareholders to attend. The Company will notify Shareholders of any change via Regulatory Information Service as early as is possible before the date of the General Meeting. Any updates to the position will be included on our website, www.netscientific.net.

Please check that you have received with this document a Form of Proxy for use in respect of the General Meeting. Shareholders are strongly encouraged to complete, sign and return your Form of Proxy in accordance with the instructions printed thereon as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD, by no later than 10.00 a.m. on 24 June 2021 (or, in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your shares in the Company in uncertificated form (that is, in CREST) you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the Notice of the General Meeting set out at the end of this document). Proxies submitted via CREST must be received by the Company's agent (CREST ID: 7RA11) by no later than 10.00 a.m. on 24 June 2021 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

Alternatively, Shareholders can also vote online by logging onto to www.sharegateway.co.uk and following the instructions therein by no later than 10.00 a.m. on 24 June 2021. Shareholders will need their personal proxy registration code (Activity Code) as shown on the Form of Proxy.

The completion and return of the Form of Proxy (appointing the chairman of the meeting as your proxy) in accordance with the instructions set out above, the use of the CREST proxy voting service or voting online will enable your vote to be counted at the General Meeting, or any adjournment thereof.

To promote communication, as members will not currently be able to attend the General Meeting in person, please send any questions you have for the Board to the Company Secretary, Stephen Crowe, by email to info@netscientific.net or by post to Anglo House, Bell Lane Office Village, Bell Lane, Amersham, Buckinghamshire HP6 6FA, United Kingdom and the Board will respond on its website www.netscientific.net

within 30 days of the General Meeting unless it is undesirable in the interests of the Company or to do so would involve the disclosure of confidential information.

9. Recommendation

Shareholders should be aware that if any of the Resolutions 1 and 2 are not passed, the Placing will not proceed. The Company would then need to secure alternative funding in the near future which may not be forthcoming and in this event, the Directors may be required to take action which could result in the value attributable to Shareholders being severely reduced or becoming nil.

The Directors believe that the Resolutions to be proposed at the General Meeting are in the best interests of the Company and Shareholders as a whole and unanimously recommend that Shareholders vote in favour of the Resolutions.

The Directors intend to vote in favour of the Resolutions in respect of, in aggregate, 4,084,791 Existing Ordinary Shares, representing approximately 27.2 per cent. of the issued ordinary share capital as at the date of this document.

Yours sincerely

John Clarkson
Chairman

NetScientific PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting of NetScientific plc (the “**Company**”) will be held at Level 39, One Canada Square, Canary Wharf, London, E14 5AB at 10.00 a.m. on 28 June 2021 for the purpose of considering and, if thought fit, passing resolutions 1 and 3 as ordinary resolutions and resolutions 2 and 4 as special resolutions.

ORDINARY RESOLUTION – AUTHORITY TO ALLOT PLACING SHARES

1. **THAT**, in accordance with section 551 of the Companies Act 2006 (the “**Act**”), the directors of the Company from time to time (the “**Directors**”) be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company up to a maximum aggregate nominal amount of £297,906.15 (comprising 5,958,123 Placing Shares (as such term is defined in the circular posted to Shareholders together with this notice (the “**Circular**”)) provided that this authority will expire on the date which is fifteen months from the date of the resolution, or, if earlier, the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION – PLACING SHARES DISAPPLICATION OF PRE-EMPTION RIGHTS

2. **THAT**, subject to and conditional upon the passing of resolution 1, in accordance with section 570 of the Act, the Directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 1 above, as if section 561 of the Act did not apply to any such allotment, up to an aggregate nominal value of £297,906.15 (comprising 5,958,123 Placing Shares (as such term is defined in the Circular)), provided that this authority will expire on the date which is fifteen months from the date of the resolution or, if earlier, the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

ORDINARY RESOLUTION – GENERAL AUTHORITY TO ALLOT

3. **THAT**, subject to and conditional upon the passing of resolutions 1 to 2 (inclusive), in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or to grant rights to subscribe for or to convert any security into shares in the Company:
 - 3.1 up to a maximum aggregate nominal amount of £349,588.00; and
 - 3.2 up to a further aggregate nominal amount of £349,588.00 in connection with an offer of equity securities (as defined in Section 560(1) of the Act) by way of a rights issue or other pre-emptive offer or issue to:
 - (a) ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and
 - (b) holders of other equity securities, if this is required by the rights of those securities or, if the Company’s directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions and other arrangements as the Company's directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter,

provided that all previous authorities to allot shares or grant rights, to the extent unused, shall be revoked and provided further that this authority will expire on the date which is fifteen months from the date of the resolution, or, if earlier, the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

SPECIAL RESOLUTION – GENERAL DISAPPLICATION OF PRE-EMPTION RIGHTS

4. **THAT**, subject to and conditional upon the passing of resolutions 1, 2 and 3, in accordance with section 570 of the Act, the Directors be empowered to allot equity securities for cash (within the meaning of section 560 of the Act) pursuant to the authority conferred by resolution 3 above, as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited to:
- 4.1 the allotment of equity securities in connection with an offer or issue of equity securities (but in the case of the authority granted under paragraph 3.2 of Resolution 3, by way of a rights issue only) to or in favour of:
- (a) ordinary shareholders in proportion (as nearly as may be) to their existing holdings; and
 - (b) holders of other equity securities, if this is required by the rights of those securities or, if the Company's directors consider it necessary, as permitted by the rights of those securities,

but subject to such exclusions and other arrangements as the Company's directors may consider necessary or appropriate in relation to fractional entitlements, record dates, treasury shares or any legal, regulatory or practical problems under the laws of any territory (including the requirements of any regulatory body or stock exchange) or any other matter; and

- 4.2 the allotment of equity securities (otherwise than under paragraph 4.1 of this resolution 4) up to an aggregate nominal value of £209,753.00, provided that this authority will expire on the date which is fifteen months from the date of the resolution or, if earlier, the conclusion of the next annual general meeting of the Company (unless renewed varied or revoked by the Company prior to or on that date) but the Company may, before this authority expires, make an offer or agreement which would or might require shares in the Company or rights to be allotted or granted after this authority expires and that the Directors may allot shares in the Company or grant rights pursuant to such an offer or agreement as if the authority conferred by this resolution had not expired.

By order of the Board

Stephen Crowe
Company Secretary

Registered Office:
C/O Wilkins Kennedy LLP
Anglo House
Bell Lane Office Village
Bell Lane
Amersham
Buckinghamshire
HP6 6FA

Registered in England and Wales No.: 08026888
Date: 11 June 2021

Notes:

Your attention is drawn to note 13 below and the arrangements put in place by the Company set out on paragraph 8 of the Circular relating to the impact of the ongoing Covid-19 pandemic. Given that you will not currently be able to attend the meeting in person, it is strongly advised that you appoint the chairman of the meeting to act as your proxy in accordance with the procedure set out in the notes below.

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting and at any adjournment of it. If a proxy appointment is submitted without indicating how the proxy should vote on any resolution, the proxy will exercise his discretion as to whether and, if so, how he votes.
2. In order to ensure that your vote is counted at the meeting and at any adjournment of it, the Board recommends that the chairman of the meeting is appointed as your proxy. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms, please contact Neville Registrars Limited at Neville House, Steelpark Road, Halesowen, B62 8HD. Members may also appoint the chairman as their proxy through the CREST electronic proxy appointment service as described in note 8 below.
3. To be valid any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand by Neville Registrars Limited at Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, B62 8HD no later than 10.00 a.m. on 24 June 2021 (or, in the event of any adjournment, no later than 10.00 a.m. on the date which is two days before the time of the adjourned meeting (weekends and public holidays excluded)), together with, if appropriate, the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power or authority.
4. A vote withheld option is provided on the form of proxy to enable you to instruct your proxy not to vote on any particular resolution, however, it should be noted that a vote withheld in this way is not a 'vote' in law and will not be counted in the calculation of the proportion of the votes 'for' and 'against' a resolution.
5. To be entitled to attend and vote (by proxy) at the meeting (and for the purpose of the determination by the company of the votes they may cast), members must be registered in the register of members of the Company by 6.00 p.m. on 24 June 2021 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting (weekends and public holidays excluded)). Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. CREST members who wish to appoint a proxy through the CREST electronic proxy appointment service may do so for this meeting by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. You may appoint a proxy by completing and transmitting a CREST Proxy Instruction to the Registrars (Crest Participant ID: 7RA11) so that it is received no later than 10.00 a.m. on 24 June 2021. Please note the following:
 - (a) in order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST proxy instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent by the latest time(s) for receipt of proxy appointments specified in this notice (or, if the meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means;
 - (b) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings; and
 - (c) the Company may treat as invalid a CREST proxy instruction in the circumstances set out in regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
9. Shareholders can submit their vote electronically at www.sharegateway.co.uk by completing the authentication requirements on the website so as to be received by 10.00 a.m. on 24 June 2021 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a business day)). Shareholders will need to use their personal proxy registration code (Activity Code), which is printed on the form of proxy, to validate the submission of their proxy online.

10. As at the close of business on the date immediately preceding this notice, the Company's issued share capital comprised 15,017,188 ordinary shares. Each ordinary share carries the right to vote at the meeting and, therefore, the total number of voting rights in the Company as at close of business on the date immediately preceding this notice is 15,017,188.
11. Any corporation which is a member can appoint one or more corporate representatives (subject to note 13 below) who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.
12. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrars. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice and must be received by the Company's registrars not less than 48 hours (excluding any part of a day that is not a business day) before the time fixed for the holding of the meeting or any adjourned meeting (or in the case of a poll before the time appointed for taking the poll) at which the proxy is to attend, speak and to vote. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then your proxy appointment will remain valid.
13. Notwithstanding the information contained in notes 1 to 12 above and the rights of shareholders set out in the Act and the Company's articles of association, the Directors' strong recommendation is that members submit proxy votes appointing the chairman of the meeting as your proxy as set out in this notice of General Meeting. Moreover, the Directors would like to reiterate that, if any shareholder does, nonetheless, travel to attend the meeting in person, they will be denied access to it based on the prevailing circumstances and, as a result, will not be able to participate in the business to be transacted at the meeting.

